

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF GREEN-TAYLOR)	
WATER DISTRICT FOR A PURCHASED)	
WATER ADJUSTMENT PURSUANT TO)	CASE NO. 9449
807 KAR 5:067)	

O R D E R

On October 29, 1985, Green-Taylor Water District ("Green-Taylor") filed an application with the Public Service Commission ("Commission") requesting authority to adjust its rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause. On December 5, 1985, the Commission requested that additional information be filed. The required information has now been filed, and the record is complete.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. The proposed purchased water adjustment clause filed by Green-Taylor is not in compliance with 807 KAR 5:067, Purchased Water Adjustment Clause, in that it provides for application of the purchased water adjustment clause only in the event of an increase in purchased water costs. Under the regulation, the purchased water adjustment would apply when there is either an increase or decrease in the base rate, as well as in the event of a refund from the supplier. The purchased water adjustment clause

in Appendix B is in compliance with 807 KAR 5:067, is in the best interest of Green-Taylor and the public, and should be approved for use by Green-Taylor.

2. Green-Taylor's supplier, City of Greensburg ("Greensburg") increased its wholesale rate from \$.65 to \$.69 per 1,000 gallons effective July 2, 1985.

3. The statements of water purchased and sold filed by Green-Taylor for the 12-month period ending July 31, 1985, show that it's water loss is 15.14 percent, slightly more than the maximum of 15 percent allowed by the Commission. After adjustment for water loss in accordance with the procedure prescribed by the regulation, the maximum allowable volume of purchased water upon which the adjustment may be based is 130,195,647 gallons.

4. The total allowable increase in purchased water costs is \$5,208, resulting in a purchased water adjustment of \$.05 per 1,000 gallons.

5. The purchased water adjustment in the amount of \$.05 per 1,000 gallons and the rates in Appendix A are fair, just and reasonable and should be approved.

6. The financial information filed by Green-Taylor indicates that it cannot absorb any portion of the increased cost in purchased water.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment clause filed by Green-Taylor be and it hereby is denied.

2. The purchased water adjustment clause in Appendix B is hereby approved for use by Green-Taylor on and after the date of this Order.

3. The purchased water adjustment in the amount of \$.05 per 1,000 gallons and the rates in Appendix A be and they hereby are approved, effective for services rendered on and after the date of this Order.

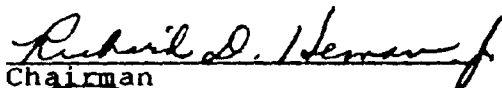
4. For purposes of future application of Green-Taylor's purchased water adjustment clause, the base rate shall be:

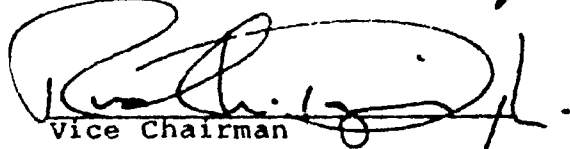
<u>Supplier</u>	<u>Rate</u>
City of Greensburg	\$.69 per 1,000 gallons

5. Within 30 days of the date of this Order, Green-Taylor shall file its revised tariff sheets with the Commission setting out the purchased water adjustment clause and the rates approved herein.

Done at Frankfort, Kentucky, this 20th day of December, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9449 DATED DECEMBER 20, 1985

The following rates and charges are prescribed for customers receiving water service from Green-Taylor Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 2,000 gallons	\$7.40 Minimum Bill
Next 4,000 gallons	2.95 per 1,000 gallons
Next 4,000 gallons	2.15 per 1,000 gallons
Next 15,000 gallons	1.60 per 1,000 gallons
Next 25,000 gallons	1.04 per 1,000 gallons
Over 50,000 gallons	.84 per 1,000 gallons

<u>Meter Size</u>	<u>Allowable Minimum Gallons</u>	<u>Minimum Rate</u>
5/8 x 3/4 - Inch	2,000	\$ 7.40
3/4 - Inch	5,000	16.25
1 - Inch	10,000	27.80
1 1/2 - Inch	25,000	51.80
2 - Inch	40,000	67.40
3 - Inch	100,000	119.80

APPENDIX B

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 9449 DATED DECEMBER 20, 1985

PURCHASED WATER ADJUSTMENT CLAUSE

In the event the utility experiences an increase or decrease in the wholesale cost of purchased water or receives a refund from its supplier, the utility may apply for a purchased water adjustment pursuant to 807 KAR 5:067.

For purposes of application of the purchased water adjustment clause, the base rate shall be:

<u>Supplier</u>	<u>Rate</u>
City of Greensburg	\$.69 per 1,000 gallons